400 Texas Street, Suite 1400 Shreveport, LA 71101 **Firm:** 318.221.6858

Fax: 318.227.2967 Web: www.bwor.com

Mailing Address: P.O. Drawer 1126

P.O. Drawer 1126 Shreveport, LA 71163-1126

May 3, 2006

WM. TIMOTHY ALLEN, III

Direct: 318.934.0217 Email: tallen@bwor.com

## FEDERAL EXPRESS

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 94275 Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION

Substitute Unit Well at Exceptional Location

HOSS RA SUJ

Red River - Bull Bayou Field DeSoto Parish, Louisiana Our File No.370306.86

Dear Sir:

On behalf of PINNACLE OPERATING COMPANY, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Hosston Formation, Reservoir A, in the Red River - Bull Bayou Field, DeSoto Parish, Louisiana:

- 1. To permit the applicant to drill, designate and utilize a substitute unit well for HOSS RA SUJ, at the location shown on the attached plat, in exception to the well spacing provisions of Office of Conservation Order No. 109-N, effective November 22, 1983.
- 2. To explicitly find that the proposed substitute unit well is necessary to drain a portion of the Hosston Formation, Reservoir A in the Red River Bull Bayou Field, underlying HOSS RA SUJ, which cannot be efficiently and economically drained by any existing well in such unit.
- 3. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hosston Formation, Reservoir A, in the Red River Bull Bayou Field, DeSoto Parish, Louisiana was fully defined in Office of Conservation Order No. 109-N, effective November 22, 1983.

Commissioner of Conservation May 3, 2006 Page 2

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Bank One Tower, 400 Texas Street, Shreveport, LA 71101. Any person wishing to inspect such data should call Mr. Wm. Timothy Allen III (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

A check in the amount of \$755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

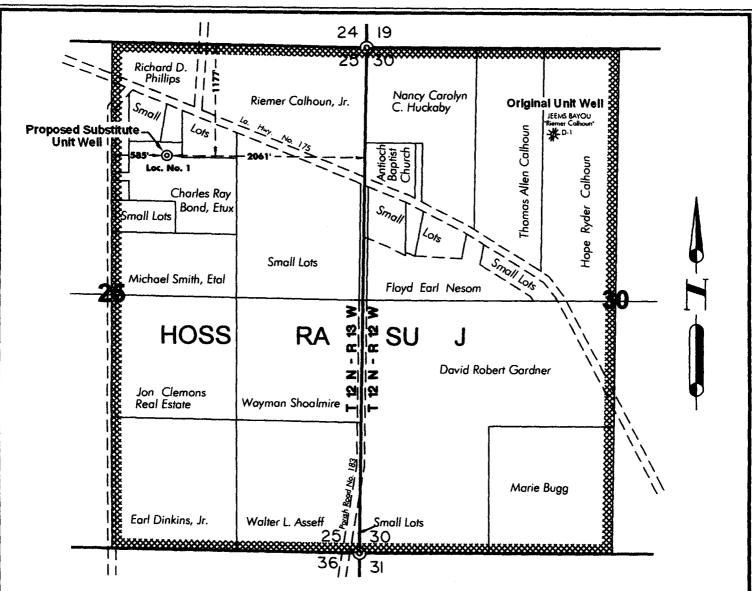
By

WTAIII/kml Enclosures Wm. Timothy Allen III

Attorneys for Pinnacle Operating Company, Inc.

cc: Mr. James C. Broussard, Shreveport
District Manager, Office of Conservation
(w/encl.)

Interested Owners, Represented Parties and Interested Parties (w/copy of plat only)



PLAT SHOWING LOCATION

## PINNACLE OPERATING CO., INC. ----HOSS RA SU J: BOND No. 1

Located 1177 ft. from the North line and 2061 ft. from the East line of Section 25, Township 12 North, Range 13 West,

DeSoto Parish, Louisiana.

## **Proposed Substitute Unit Well at Exceptional Location**

Latitude = 32° 00' 07.63932" North Longitude = 93° 39' 07.01683" West Determined by GPS, NAD 27

X = 1.642.969.962Y = 0.487,605.480Determined by GPS, NAD 27

Ground Elevation = 335.3 ft.

Date: February 17, 2006

SCALE 1" = 1000"

